Notice of 2005 Annual General Meeting
NOTICE OF 2005 ANNUAL GENERAL MEETING

Notice is given that the thirty-seventh Annual General Meeting of Australia and New Zealand Banking Group Limited will be held at the Adelaide Convention Centre, North Terrace, Adelaide, South Australia on Friday, 16 December 2005 at 10.00am (Adelaide time).

ORDINARY BUSINESS

1  ANNUAL REPORTS

2  ADOPTION OF THE REMUNERATION REPORT
To adopt the Remuneration Report for the year ended 30 September 2005. The vote on this resolution is advisory only.

3  RE-ELECTION OF DIRECTORS
a) To re-elect a Director – Dr R.S. Deane
Dr Deane retires in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

b) To re-elect a Director – Mr D.M. Gonski AO
Mr Gonski retires in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

c) To re-elect a Director – Mr C.B. Goode AC
Mr Goode retires in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

4  MODIFICATION OF THE CONSTITUTION

a) approval is given to the Company to enter into the Director's Access, Insurance and Indemnity Deed between the Company and each current and future Director of the Company in substantially the same form as that which is submitted to the 2005 Annual General Meeting, and signed by the Chairman for the purposes of identification, and to the Company providing the benefits in accordance with the deed to current and future Directors; and

b) any Director and Secretary of the Company be authorised to execute on behalf of the Company, Director's Access, Insurance and Indemnity Deeds.”

5  CHANGES TO NON-EXECUTIVE DIRECTORS’ RETIREMENT SCHEME
To consider and, if thought fit, to pass the following as an ordinary resolution: “That the maximum annual aggregate of remuneration (within the meaning of the Company’s Constitution) that Non-executive Directors are entitled to be paid for their services as Directors out of the funds of the Company under rule 10.2(a) of the Constitution be increased by A$500,000 and fixed at A$1,000,000.”

6  VOTING BY PROXY
A member who is entitled to attend and cast a vote at the Meeting may appoint a proxy.

A proxy need not be a member. A person can appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, the appointments are signed as a corporate representative in accordance with section 251G of the Corporations Act to exercise its powers as the proxy at the Meeting.

A member who is entitled to cast 2 or more votes may appoint up to 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

The following addresses are specified for the purposes of the appointments and any authorities under which proxy appointments are signed (or certified copies of those authorities):

Corporation’s Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

By Order of the Board

Tin L’Estrange
Secretary
Melbourne
16 November 2005

EXPLANATORY NOTES

ITEM 2 ADDITION OF THE REMUNERATION REPORT

As required by the Corporations Act, the Board is presenting the Remuneration Report to the members for consideration and adoption by a non-binding vote.

The Remuneration Report contains:

- information about Board policy for determining the nature and amount of remuneration of the Company’s Directors and senior executives,
- a description of the relationship between the remuneration and the Company’s performance,
- a detailed summary of performance conditions, including a summary of why they were chosen and how performance is measured against them, and
- remuneration details for each Director and for each of the Company’s specified executives.

The Remuneration Report, which is part of the 2005 Concise Annual Report, has been sent to members (except those who have made an election to not receive the Concise Annual Report). Copies of the Remuneration Report are available by contacting the ANZ Share Registry or visiting the Company’s website www.anz.com and clicking on the following links: shareholders (top of page) > Annual General Meeting (left hand side) > Electronic Proxy Form (body of text).

Board Recommendation
The Board considers that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the performance of the Company. On this basis, the Board recommends that members vote in favour of Item 2.

ITEM 3 RE-ELECTION OF DIRECTORS

Dr Deane, Mr Gonski and Mr Goode retire by rotation. Each of these Directors offers himself for re-election. Candidates for re-election as Directors:

- Dr Deane
- Mr Gonski
- Mr Goode

Company Director Independent Non-executive Director, first appointed in September 1994.

Dr Deane is a member of the Compensation & Human Resources Committee and the Technology Committee. He is Chairman of ANZ National Bank Limited, Fletcher Building Limited and Telecom Corporation of New Zealand Limited, and a Director of Woolworths Limited. Dr Deane is also Chairman of Te Papa Tongarewa (Museum of New Zealand) and New Zealand Sued Fund Management Limited, and is a former Director of TransAlta Corporation (Canada) and former Deputy Governor of the Reserve Bank of New Zealand.

Lives in Wellington, New Zealand. Age: 64.

Dr Deane has skills and experience across a variety of sectors including the government, banking and finance, economics and telecommunications and also with charitable and cultural organisations, which contribute to his role on the Board.

Mr Gonski

Mr Gonski is Chairman of the Nominations, Governance & Corporate Responsibility Committee and a member of the Risk Management Committee. He is Chairman of Colta Cola Amatil Limited and a Director of The Westfield Group. Mr Gonski is also Chancellor of the University of New South Wales, Chairman of the Bredoun Group in Australia, the Australian Council for the Arts and the Sydney Grammar School Trust, and President of the Board of Trustees of Art Gallery of NSW. He is a former Director of John Fairfax Holdings Limited, and a former Chairman of Morgan Stanley Australia Limited and the National Institute of Dramatic Art.

A lawyer, Mr Gonski has a broad experience across business, the law and investment banking. He also brings to his role on the Board an appointment that wholly through his work in the arts and the not-for-profit sector.

Mr Goode AC
MRC C B GOODE, AC
8574030800 (michael university, melbourne), hon lld (university, new york), hon lld (uds, university, melbourne)

Mr Goode is an officer of all board Committees. He is Chairman of Woodside Petroleum Limited, Australian United Investment Company Limited and diversified United Investment Limited, and a Director of Singapore Airlines Limited. He is also a member of the$C\text{\textregistered}$

Mr Goode has a background in the financial industry and has been a professional non-executive director since 1993. He brings a wide range of skills and significant experience of the finance industry to his role as Chairman of the Board.

Board Recommendation

The Board (excluding the relevant director standing for re-election) endorses the re-election of each of Dr Deane and Messrs Gonski and Goode as a Director, as the case may be.

ITEM 4 MODIFICATION OF THE CONSTITUTION

The Company’s current Constitution was adopted by the 2004 Annual General Meeting and most recently amended at the General Meeting on 11 August 2005. Since then, there have been changes in the principal changes to the form of the Deed are described below.

The Deed is expressed to indemnify a Director automatically becomes vacant if the Director fails to attend Board meetings for a continuous period of 3 months without the leave of the Board. It is proposed that this rule be amended to provide that a Director’s office becomes vacant if the Director fails to attend 3 consecutive Board meetings (not including Board committee meetings).

It is considered that this amended rule better reflects the expectation that Directors should attend Board meetings (unless they have the leave of the Board) as and when the meetings are scheduled, rather than specifying a maximum monthly period that a Director can be absent without the leave of the Board.

Managing Director

It is proposed that rules 7.2 and 7.3 be amended to make it clear that the appointment of a new Managing Director is not subject to confirmation at the next annual general meeting after the Managing Director’s appointment. This is consistent with ANZ Listing Rule 14.1. While members and certain other parties are entitled to receive a notice of the revocation of a proxy appointment, it is the responsibility of the Directors to seek the appointment of a new Managing Director and Chief Executive Officer who serves on the relevant date.

Officers’ indemnity and insurance

Rule 13 is proposed to be amended to delete references to “the Law” (which was a reference to what is now the Corporations Act) and to substitute the phrase applicable law.

This change is being made because restrictions on the ability of the Company to indemnify officers of the Company may not be contained only in the Corporations Act. Proposed amendments to the Trade Practices Act, and under the Company Act may affect the ability of the Company to indemnify officers in certain circumstances. These amendments are to ensure that the Company’s Constitution is consistent with changes to applicable law.

Auditor’s right to attend meeting

New rule 14.7 provides, consistent with the Companies Act, that the Company’s auditor is entitled to attend general meetings of the Company.

Proxy appointments

The proposed amendments are proposed to clarify the operation of rule 15 relating to proxies.

In rule 15.1(b) the word acknowledged will be replaced with authenticated to reflect changes to the Corporations Act; and

In rule 15.6 it is proposed to make it clear that a revocation of a proxy appointment is effective upon the instrument of revocation being received by the Company at least 48 hours before the time of the general meeting.

ITEM 5 AMENDMENTS TO THE DIRECTOR’S ACCESS, INSURANCE AND INDEMNITY DEED

The current form of the Director’s Access, Insurance and Indemnity Deed was previously approved by members at the Company’s last annual general meeting and was also renewed (by a special resolution in the past, member approval is being sought for the revised form of the Deed.

A copy of the proposed amended Deed can be obtained by contacting the ANZ Share Registry. A copy will also be available for inspection at the Annual General Meeting.

The principal changes to the form of the Deed are described below.

Indemnification for appeals

The Deed is expressed to indemnify a Director against the costs of representation at adversarial proceedings and investigations or inquiries. Amendments are proposed to expressly state that the indemnity extends to costs incurred in respect of legitimate appeals against determinations or findings of such bodies.

Advances for legal expenses to a Director where an insurance claim is denied

Changes have been made to ensure that a Director is indemnified where the Company is not able to provide funding of legal expenses to challenge an adverse determination (including for example, a Director’s and Officers’ insurers liability. However, the operation of the provisions is subject to safeguards, allowing the Company to exercise reasonable control over the costs and the process. Amendment of legal expenses to challenge an insurer’s refusal to pay under the Company’s Constitution is conditional on the Director complying with all insurer requirements, including, for example for:

- The Director take any reasonable action that the Company requests in the conduct of the claim;
- The Director must obtain advice from a senior executive officer who has legal counsel that the proceedings may be pursued with reasonable prospects of success; and
- The Company must have evidence that the proceedings will be pursued in accordance with the above requirements, including, for example:

- The Company may, during the proceedings, obtain a reassessment of the merits of the case. If the prospects of the Director
succeeding against the insurers have substantially deteriorated, the Company may review its committee to continue to pass claims expenses incurred by the directors who are conducting the litigation may require, subject to indemnifying the insurer in respect of any adverse costs under.

Good faith
Reflection on the interests of both the Company and each Director, a good faith clause is being included. This will ensure

ITEM 6 CHANGES TO NON-EXECUTIVE DIRECTORS’ RETIREMENT SCHEME

The remuneration of all of the present Non-executive Directors of ANZ during the last financial year consisted of 6 elements:

Base Fees, which are intended to reflect the time involved in carrying out Board work and the degree of responsibility involved.

Supernumerary contributions, being 9% of base fee up to the maximum contributions base.

Retirement Benefits, which accrue under the Directors’ Retirement Scheme and are payable to Non-executive Directors at the time of their retirement from the Board.

The lump sum retirement benefit payable where a Non-executive Director has held office for 8 years or more is equal to the total remuneration (excluding retirement benefit accrual) of the Non-executive Director in respect of the 3 years immediately preceding the Non-executive Director ceasing to be a Director, subject to that sum not exceeding the amount the Company may lawfully pay. For periods of less than 8 years, a proportionate part of such remuneration is payable.

In addition, Directors are reimbursed for expenses incurred in carrying out their duties.

Under the Scheme have been ‘frozen’ as at 30 September 2005 and as ‘preserved’ in the manner outlined below, subject to member approval, until such Director retires. All current Non-executive Directors of the Company will be affected by these arrangements.

Proposal
Under the proposed revised arrangements, the amount that would have been payable by the Company under the Directors’ Retirement Scheme in the event that each Non-executive Director retired on 30 September 2005 has been calculated (‘accrued retirement benefit’) and each Non-executive Director has been asked to elect to receive an equivalent benefit by way of one or a combination of the following alternatives:

- the Cash Alternative, being a payment to the relevant Director on retirement equal to his or her accrued retirement benefit plus an additional amount (equal to the amount that would have been earned on that sum at the 30 day bank bill rate from 1 October 2005 to the date of retirement); and/or
- the Shares Alternative, being the acquisition of Company shares to the value of the relevant Director’s accrued retirement benefit plus an additional amount (equal to the interest on that amount which would have been earned on that sum at the 30 day bank bill rate from 1 October 2005 to the date of the share acquisition, namely 27 October 2005). Prior to the closure of the Directors’ Retirement Scheme, the Non-executive Directors were each asked to nominate the proportion of their accrued retirement benefit that they wished to be directed towards each alternative (subject to the restructure being approved by member). Members C. B. Goode, J. K. Ellis and D. M. Gonski elected to receive the Shares Alternative for 100% of their accrued retirement benefit. Under the revised arrangement, they would be entitled to receive 473,354 Shares Alternative, 364 shares and 16,675 shares respectively if members approve the proposed changes to the Scheme.

In summary, the retirement payment, together with all other amounts payable as a result of ceasing to hold office, must, without retirement benefit, be restricted to the amounts agreed.

For a Non-executive Director having held office for less than 3 years, the total remuneration paid to the Director during the period they have held office, or

For a Non-executive Director who has held office for 3 or more years, an amount equal to the total remuneration during the last 3 years of service.

At the time the Directors’ Retirement Scheme was closed, the accrued retirement benefits did not exceed the limits specified in the Corporations Act. However, there is a small possibility that the final benefit payable to Non-executive Directors on retirement under the proposed revised arrangements may exceed the statutory limit if growth in the Company’s share price, or bank bill interest earnings, moves at a faster rate than increases in Non-executive Directors’ fees. The proposed resolution will avoid this complication.

The aggregate of these 3 items for all Non-executive Directors in any year must not exceed the limit set by members under rule 10.2 of the Constitution. This limit was last set at the Annual General Meeting in 2002 at A$1,500,000.

The amount of this increase is based on an actuarial valuation of the Directors’ Retirement Scheme conducted by Mercer Finance & Risk Consulting, as well as on advice from external remuneration consultants Price Waterhouse. It is also in line with the approach taken by other Australian companies who have phased out retirement benefits. The proposed increase to the Non-executive Directors’ fee cap of A$500,000 would take the maximum annual aggregate amount to A$3,000,000 – an amount which is considered necessary in order to:

- accommodate for the fee adjustment outlined above to compensate for removal of the Directors’ Retirement Scheme (a 27.5% – while the discontinued retirement benefits are outside the maximum aggregate limit, the compensating increase to fees will fall within it; and
- allow for annual adjustments in line with market movement; and
- allow for the addition of another Non-executive Director in either 2006 or early 2007.

It is critical that the Company has the capacity to pay adequate fees to Non-executive Directors in order to attract and retain Directors of the highest calibre. The fee cap is being increased in line with the Company’s position to the ASX Corporate Governance Council, Principles of Good Corporate Governance and Best Practice Recommendations, First Edition, 1997. The proposed increase in the Non-executive Directors’ fee cap of A$500,000 would take the maximum annual aggregate amount to A$3,000,000 – an amount which is considered necessary in order to:

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